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## **New owners revive ex-Steelcase building**

**By Mark Barrett**

**MBARRETT@CITIZEN-TIMES.COM**

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FLETCHER - A group of local investors has purchased the former Steelcase building, one of the region's largest industrial properties, and is dividing up the mammoth space for use by a variety of companies as Fletcher Business Park.

One plans to turn the building, located in Cane Creek Industrial Park on the east side of Fletcher, into a sustainable energy center. It has plans to locate 5,000 solar panels on the roof of the building to generate electricity and also wants to heat and cool the building with solar power in what a company official says would be one of the largest renewable energy projects in the state.

Healthy foods supermarket chain Earth Fare is consolidating its corporate headquarters and warehousing operation in the building. Several other companies either have already moved into space in the building or have committed to do so and one owner said about 30 percent of the space in the building is spoken for so far.

Michigan-based Steelcase started making office furniture in the

900,000-square-foot building in Cane Creek Industrial park in 1973 and ended operations in late 2004. The shutdown idled 480 workers, but the plant had employed 800 people as recently as early 2000.

More choices

The \$7.2 million deal that occurred last month ends the possibility that a single employer would take over the entire building, but some people involved in the deal say the chances of that happening were not great anyway.

"Finding a 900,000-square-foot industrial user that will come into the Asheville area is going to be almost impossible," said Rusty Pulliam, a real estate developer based in southern Buncombe County who is part of the new ownership group. "We're not going to acquire the bigger manufacturing. It's just not going to happen."

North Carolina, he said, does not offer the level of incentives that the largest manufacturers can get from other states when locating a manufacturing operation big enough to fill up the building. But, Pulliam said, dividing the building means it will be easier to attract tenants and jobs.

"For every 900,000-square-foot client floating around out there in the USA, there's hundreds of clients that will need 20,000 square feet and up," he said.

Scott Hamilton, who as president and CEO of the Henderson County Partnership for Economic Development plays a key role in recruiting industrial employers to the area, also said the prospects of getting a single occupant for the building were slim.

He said he had shown the building to only two or three potential users since Steelcase put it on the market. Larger users often have specific requirements that mean many buildings won't suit their

needs, Hamilton said.

"It's tough to find a single tenant for 900,000 square feet, so having the building subdivided into small space provides us with more product to offer potential clients," he said.

Pulliam said the building is in good condition and should be attractive to potential users.

"As far as I know, it's the largest manufacturing plant in the western part of the state," he said. "You're 15 minutes away from the Asheville airport, you're just across the Buncombe County line. It's a great site."

Pulliam said he expects some of the space will be used for manufacturing and some for warehousing. Manufacturers often move warehouse operations offsite to free up space for production when times are good, he said.

The building also came with some property not needed for operation of the building, Pulliam said. Owners are in discussions with possible buyers that may develop about 37 acres to make it ready for industrial use, he said.

Majority investors in owner Fletcher Business Park LLC include Pulliam, his father Winston Pulliam, and local real estate investor and developer Kent Smith. Commercial real estate agent James Wilson and renewable energy company Appalachian Energy are also investors, Rusty Pulliam said.

Lots of sun

Appalachian Energy owns a small hydroelectric power plant on the Ivy River near Marshall, said President Scott Clark.

Company official David Clark, Scott Clark's father, said he had

done maintenance on the Steelcase building at the same time his company was looking for a spot to locate panels that would convert solar energy to electricity.

A year or two ago, he realized it was right under his nose: Steelcase. The building's roof offers acres and acres of unobstructed exposure to sunlight.

Appalachian Energy plans to "turn that building into, more or less, a renewable energy hub," Scott Clark said.

He said the panels will generate one to two megawatts of electricity, enough to power 800 to 1,600 homes. The power will be sold to Progress Energy, he said.

Appalachian Energy plans to produce solar panels in the building and hopes to employ 35 to 40 people within about a year, Scott Clark said.

"The solar field is the fastest growing field worldwide," he said. "There's a huge market. There's a huge opportunity."

The environmentally friendly aspect of the building was "an added extra" for Earth Fare, said Troy DeGroff, the chain's director of sales and marketing.

Earth Fare has about 45 people working out of corporate offices in Ridgefield Business Park on Brevard Road on Asheville's southwest side, DeGroff said. Its warehouse space is on Cane Creek Road in Fletcher.

The two operations will move into the new space over the next three months, he said. Fletcher Business Park provides room to support expansion that Earth Fare plans in coming months - four to six new stores in 2008, he said -and to simply get key functions

under one roof, DeGroff said.

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